RJR Co-Marketing Promotion Accrual Program

RJ Reynolds
Tobacco Company

51862 1015

Source: https://www.industrydocuments.ucsf.edu/docs/zxpm0000

RJR Co-Marketing Promotion Accrual Program
Overview:

- **Promotional spending targets Full-Price brands, integrating RJR merchandising and promotional strengths**
- **Provides Retailer / RJR promotion flexibility for maximum local marketplace impact**
- **Jointly planned promotions offer point-of-difference for account specific, business building promotions**
- **Retailer executed promotions offer maximum flexibility to focus on local opportunities**

Source: https://www.industrydocuments.ucsf.edu/docs/zxpm0000

RJR Co-Marketing Promotion Accrual Program *Highlights:*

- **RJR Co-Marketing Program Funding**
  - ***Base rate available to qualifying retailers***
  - ***Retailer / RJR Match Option***
- **Qualifying retailers to accrue incremental promotional dollars each month**
- **Funds are earned by month - executed by quarter - reimbursements paid upon completion of promotions**
- **Promotion Examples: Buydowns, Multi-Pack offers, Coffee, Beverage, Gas, Sandwich offers, Other unique retailer specific Offers**
- **Support Materials: POS with local emphasis; Standard / generic RJR-supplied point-of-sale materials**
- **Promotional support for Full Price Brands only**

Source: https://www.industrydocuments.ucsf.edu/docs/zxpm0000

RJR Co-Marketing Program
Carton Outlets

- **Must participate in RJR Merchandising Programs to qualify Maintain Key Priorities**
  - ***Package Merchandising***
  - ***Savings Cartons with Price Signage***
  - ***Full Price Cartons with Price Signage***
- **Price point representation, distribution, promotion requirements per contracts**
- **RJR cannot be placed at a competitive disadvantage**
- **All of the above must be present to qualify for the co-marketing agreement**

Monthly Accrual Dollars

Avg Wkly Industry Volume	*RJR Co-Mktg Accrual*	*Retailer Match*	*RJR Match*	*Maximum Promotional Accrual*
225-299	$36	$18	$18	$72
300-499	$56	$28	$28	$112
500+	$84	$42	$42	$168

51862 1018

Source: https://www.industrydocuments.ucsf.edu/docs/zxpm0000

RJR Co-Marketing Program
Package Outlets

- **Must participate in RJR Merchandising Programs to qualify Maintain Base Elements**
  - ***Full Price Display***
  - ***Savings Display***
  - ***Enhanced Presence/Signage***
- **Price point representation, distribution, promotion requirements per contracts**
- **RJR cannot be placed at a competitive disadvantage**
- **All of the above must be present to qualify for the co-marketing agreement**

Monthly Accrual Dollars

Avg Wkly Industry Volume	*RJR Co-Mktg Accrual*	*Retailer Match*	*RJR Match*	*Maximum Promotional Accrual*
76-99	$24	$12	$12	$48
100-149	$34	$17	$17	$68
150-199	$46	$23	$23	$92
200-249	$60	$30	$30	$120
250+	$78	$39	$39	$156

51862 1019

Source: https://www.industrydocuments.ucsf.edu/docs/zxpm0000

RJR Co-Marketing Program

Program Benefits **:**

- **RJR involvement in planning brand choices and promotion cycles**
- **Retailer selects type of promotion focused on specific business building opportunities**
- **Promotions are targeted for maximum incremental $ales impact at retail**

Source: https://www.industrydocuments.ucsf.edu/docs/zxpm0000

RJR Co-Marketing Program

Benefits of Retailer / RJR Match **:**

- **Longer promotion cycle**
- **Higher perceived value**
- **Increased promotional focus / creativity**
- **Greater point of difference vs. other participating retailers**
- **MultiBrand promotion potential**
- **Additional promotional resources**

Source: https://www.industrydocuments.ucsf.edu/docs/zxpm0000

Co-Marketing Promotion
Funding Summary - Carton Outlets

Customer Name: _____

Monthly Accrual Dollars

Avg Wkly Industry Volume	*Number of Stores*	*RJR Co-Mktg Accrual*	*Retailer Match*	*RJR Match*	*Maximum Promotional Accrual*
225-299					
300-499					
500+					
Total					

51862 1022

Source: https://www.industrydocuments.ucsf.edu/docs/zxpm0000

Co-Marketing Promotion
Funding Summary - Package Outlets

Customer Name: _____

Monthly Accrual Dollars

Avg Wkly Industry Volume	*Number of Stores*	*RJR Co-Mktg Accrual*	*Retailer Match*	*RJR Match*	*Maximum Promotional Accrual*
76-99					
100-149					
150-199					
200-249					
250+					
Total					

Source: https://www.industrydocuments.ucsf.edu/docs/zxpm0000

RJR Partnership in Category Management

- **RJR will continue to assist in the management of your total cigarette category**
- **RJR has the fixtures and ability to maximize your merchandising impact**
- **RJR's *Co-Marketing Promotion Accrual Program* is focused on partnership and Win-Win promotional plan to build business**
- **RJR has the tools, programs and expertise to help you optimize your cigarette profits**

R.J. Reynolds Tobacco Company

We Work for Smokers

We Appreciate Your Business

© RJRT Jan. 1994

51862 1024

Source: https://www.industrydocuments.ucsf.edu/docs/zxpm0000